



\$ 990.00 - 118
BAC #P

PATENT
Attorney Docket No. 30093

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:)
HAGENBUCH)
Serial No. 07/351,179)
(Now Abandoned))
Filed: May 12, 1989)
For: APPARATUS AND METHOD)
RESPONSIVE TO THE ON-BOARD)
MEASURING OF HAULAGE)
PARAMETERS OF A VEHICLE)

Attn: Office of
Petitions

NOTIFICATION PURSUANT TO 37 C.F.R. §§ 1.28(b) AND (c) OF
LOSS OF ENTITLEMENT OF SMALL ENTITY STATUS AND ERROR
IN PAYMENT OF FEE AS A SMALL ENTITY

Assistant Commissioner
for Patents
Washington, D.C. 20231

Dear Sir:

Pursuant to 37 C.F.R. § 1.28(b), applicant hereby notifies the Patent and Trademark Office that the above-identified patent application (hereinafter "the '179 application") is no longer entitled to status as a small entity and that the claim for small entity status set forth in the verified statements filed May 12, 1989 is hereby withdrawn.

Calculation and Payment of Deficiency Pursuant
to 37 C.F.R. § 1.28(c)

From applicant's review of its file for the '179 application (now abandoned), the following fees were paid pursuant to the small entity schedule after the applicant was no longer entitled to the small entity status:

Three (3) Month Extension of Time (12/19/91) -	\$405.00
Three (3) Month Extension of Time (10/20/92) -	\$405.00
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According to the October 1, 1995 fee schedule in effect as of the date of this notification, as required by 37 C.F.R. § 1.28(c), the large entity amounts for the foregoing fees are as follows:

Three (3) Month Extension of Time (12/19/91) - \$900.00
Three (3) Month Extension of Time (10/20/92) - \$900.00

Payment is attached for the sum of \$990.00 for the deficiencies between the amounts paid (i.e., \$810.00) and the amount due (i.e., \$1,800.00) for a large entity.

Any deficiency in the enclosed payment should be charged to Deposit Account No. 12-1216.

Because the date of this notification is more than three (3) months after the applicant lost its small entity status, the following is a statement pursuant to 37 C.F.R. § 1.28(c) explaining how the error in payment of the above-identified fee occurred in good faith and how and when it was discovered.

Status Of Application

The '179 patent application was filed on May 12, 1989 as a continuation-in-part of U.S. patent application Serial No. 06/717,042 and 06/874,273, now U.S. Patent No. 4,839,835 and 4,831,539, respectively. The '179 application included verified statements claiming small entity status pursuant to 37 C.F.R. §§ 1.9(f) and 1.27(c). One of the statements is executed by the applicant as an "independent inventor." A second statement is executed by the applicant in his capacity as the owner of a "small business concern" having an interest in the invention described in the '179 application. At the time these small entity statements were executed and filed with the U.S. Patent and Trademark Office, the small entity status was correct. As described hereinafter, however, during the pendency of the '179

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application, it became subject to a license agreement in which the licensee Caterpillar, Inc. did not and does not qualify as a small business concern pursuant to 37 C.F.R. § 1.9(c). Attached as Exhibit A is a chronology of prior and subsequent U.S. patent applications related to the '179 application pursuant to 35 U.S.C. § 120.

Statement Pursuant to 37 C.F.R. § 1.28(c)

1. How The Error Occurred In Good Faith

On October 25, 1991, more than two years after the small entity statement was filed in the '179 application, applicant entered into an agreement granting Caterpillar, Inc. of Peoria, Illinois, a non-exclusive license to U.S. Patent Nos. 4,839,835 and 4,831,539 (hereinafter "the '835 patent" and "the '539 patent," respectively). Caterpillar, Inc. is not a small business concern as defined by 37 C.F.R. § 1.9(d). The license agreement also provides to Caterpillar a non-exclusive license to the '179 application, which later became abandoned. Later license agreements with Komatsu-Dresser Company and Wiseda, Ltd. granted rights of a scope similar to that of the Caterpillar agreement.

An error occurred in good faith when the applicant failed to withdraw the small entity status in the '179 application after the license to Caterpillar was executed. Applicant has at all times remained an independent inventor employed by Philippi-Hagenbuch, Inc., which has at all times been a small entity. However, the applicant and his attorneys failed to appreciate the Caterpillar licensing agreement affected the right of the '179 application to payment of reduced fees pursuant to the small entity status correctly established when the application was filed. This error was also carried forward through each of the Rule 60 and 62 continuation applications identified in Exhibit A.

At the time the applicant entered into the license agreement with Caterpillar, no individual associated with

the filing and prosecution of the '179 application, including the applicant and the undersigned, appreciated the agreement might affect the application's entitlement to small entity status. Moreover, the Caterpillar licensing agreement was executed as a confidential document and maintained in a file separate from the file for the '179 application. As such, there were no copies of these licensing agreements in the file for the '179 application that would serve as a reminder that the application may not be entitled to the small entity status correctly established when the '179 application was filed on May 12, 1989. Also, the negotiations with Caterpillar focused on the '835 patent and complex issues unrelated to this application (e.g., scope of the grant, resulting in an agreement of 10 pages with multiple attachments), which further obscured the effect of the licenses on the fee structure for the '179 application.

2. How And When The Error Was Discovered

Applicant first became sensitive to the existence of an issue regarding whether the '179 patent application was entitled to maintain the small entity status properly established when the patent application was filed while considering a licensing strategy for the U.S. Patent No. 5,416,706 (hereinafter "the '706 patent"), which issued from a Rule 60 continuation of the present application (see Exhibit A). In considering an appropriate strategy for initiating a licensing program of the '706 patent, the undersigned met with the applicant Mr. Hagenbuch, who is also the inventor and owner of the '706 patent, on August 14, 1995. During this meeting, the Caterpillar and Komatsu-Dresser Co. licensing agreements were discussed, including the language granting a license to patents based on continuations or continuations-in-part of the '835 patent or the '539 patent.

Approximately one year prior to the August 14, 1995 meeting with Mr. Hagenbuch, the undersigned was involved in an unrelated matter in which reconsideration was given to payment of a maintenance fee pursuant to a small entity status for a patent licensed to a corporation that could not qualify as a "small business concern." From that experience, the undersigned became aware that the entitlement to reduced fees provided by the definitions in 37 C.F.R. § 1.9(c) and (d) excluded applications and patents licensed to an entity that did not itself qualify as a small entity. However, the undersigned failed to appreciate at that time that the reduced fees paid in the '179 application pursuant to a small entity status may be incorrect in view of the Caterpillar agreement.

It was only after the August 14, 1995 meeting and in the process of preparing information disclosure statements and amendments for several of the pending patent applications in Exhibit A that the undersigned realized that the small entity status carried forward into the pending Rule 60 continuations may be in error in view of the apparent scope of the Caterpillar license agreement. The undersigned then also realized that the small entity status had been claimed throughout the chain of Rule 60 and Rule 62 patent applications in Exhibit A and the reduced fees paid in these applications, including the '179 application, after the date of the Caterpillar agreement may also be in error.

Conclusion

For the '835 and '539 patents and the Rule 60 and 62 continuations-in-part of them identified in the chronology of Exhibit A, all Patent Office fees paid after the execution date of the Caterpillar licensing agreement (i.e., October 25, 1991) should have been paid in the amount for a large entity. For each of these patents and patent applications in which fees were paid after the date of the

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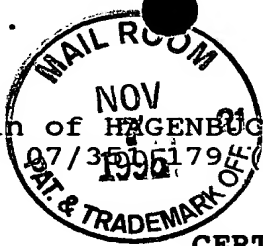
Caterpillar agreement, applicant is contemporaneously paying the deficiency between the amount paid and the amount due for a large entity and is also filing into the application the appropriate documents pursuant to 37 C.F.R. § 1.28.

Signed at Chicago, County of Cook and State of Illinois, on November 2nd, 1995.

Respectfully submitted,

By John B. Conklin
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Serial No. 07/3505179 (Abandoned)



CERTIFICATE OF MAILING

I hereby certify that this is NOTIFICATION PURSUANT TO
37 C.F.R. §§ 1.28(b) AND (c) OF LOSS OF ENTITLEMENT OF SMALL
ENTITY STATUS AND ERROR IN PAYMENT OF FEE AS A SMALL ENTITY
being deposited with the United States Postal Service as
first class mail in an envelope addressed to: Assistant
Commissioner for Patents, Washington, D.C. 20231, on the
date indicated below.

November 2, 1995
(date)

John B. Conklin

**Chronology of Hagenbuch U.S. Patent Appln. Serial No. 07/351,179
filed May 12, 1989 (Atty. Docket 30093)**

